

SOUTHERN UNIVERSITY SYSTEM**SINGLE AUDIT REPORT****FOR THE YEAR ENDED JUNE 30, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/25/09

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT ON THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS	1
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2008:	
BOARD AND SYSTEM ADMINISTRATION	3
BATON ROUGE CAMPUS	4
NEW ORLEANS CAMPUS	13
SHREVEPORT-BOSSIER CITY CAMPUS	16
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS	19
SUPPLEMENTARY DATA:	
SCHEDULES OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS FOR THE YEAR ENDED JUNE 30, 2008:	
<u>Schedule</u>	<u>Campus</u>
I	Board and System Administration
II	Baton Rouge
III	New Orleans
IV	Shreveport-Bossier City
	30 31 32 33
SCHEDULES OF FIXED-PRICE CONTRACTS FOR THE YEAR ENDED JUNE 30, 2008:	
<u>Schedule</u>	<u>Campus</u>
V	Board and System Administration
VI	Baton Rouge
VII	New Orleans
VIII	Shreveport-Bossier City
	34 35 36 37

TABLE OF CONTENTS, CONTINUED

PAGE

SCHEDULES OF SECONDARY SUBRECIPIENTS OF MAJOR FEDERAL PROGRAMS FOR THE YEAR ENDED JUNE 30, 2008:

<u>Schedule</u>	<u>Campus</u>	
IX	Board and System Administration	38
X	Baton Rouge	39
XI	New Orleans	42
XII	Shreveport-Bossier City	43

SCHEDULES OF STATE AGENCY/UNIVERSITY SUBRECIPIENTS OF FEDERAL PROGRAMS FOR THE YEAR ENDED JUNE 30, 2008:

<u>Schedule</u>	<u>Campus</u>	
XIII	Board and System Administration	44
XIV	Baton Rouge	45
XV	New Orleans	46
XVI	Shreveport-Bossier City	47

SCHEDULES OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2008:

<u>Schedule</u>	<u>Campus</u>	
XVII	Board and System Administration	48
XVIII	Baton Rouge	49
XIX	New Orleans	51
XX	Shreveport-Bossier City	52

TABLE OF CONTENTS, CONTINUED

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	53
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	57
SCHEDULES OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDING JUNE 30, 2008	
Schedule I Summary of the Independent Auditors' Results	62
Schedule II Financial Statement Finding	64
Schedule III Federal Award Findings and Questioned Costs	
Baton Rouge	65
New Orleans	69
Shreveport-Bossier City	79
AUDIT INFORMATION SCHEDULE	83



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

INDEPENDENT AUDITORS' REPORT ON THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

Dr. Ralph Slaughter, President
Southern University System
Baton Rouge, Louisiana 70813

We have audited the accompanying Schedules of Expenditures of Federal Awards of the **Southern University System (the University)** for the year ended June 30, 2008. The Schedules of Expenditures of Federal Awards is the responsibility of the management of the **University**. Our responsibility is to express an opinion on the Schedules of Expenditures of Federal Awards based on our audit. The accompanying Schedules of Expenditures of Federal Awards are not a part of the **University's** component unit financial statements for the year ended June 30, 2008. The component unit financial statements were audited by the State of Louisiana's Legislative Auditor whose report had not been issued as of this report issuance date.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. Those standards and the provisions of OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the Schedules of Expenditures of Federal Awards are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules of Expenditures of Federal Awards. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedules of Expenditures of Federal Awards. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Schedules of Expenditures of Federal Awards of the **Southern University System** present fairly, in all material respects, the expenditures of federal awards for the year ended June 30, 2008 in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT ON THE
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

(CONTINUED)

Dr. Ralph Slaughter, President
Southern University System
Baton Rouge, Louisiana 70813

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2009 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in accessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the Schedules of Expenditures of Federal Awards taken as a whole. The supplementary data included in this report is presented for the purposes of additional analysis and is not a required part of the Schedules of Expenditures of Federal Awards. Such information has been subjected to the auditing procedures applied in the audit of the Schedules of Expenditures of Federal Awards and, in our opinion is fairly stated in all material respects in relation to the Schedules of Expenditures of Federal Awards taken as a whole.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

January 30, 2009

SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal		Pass		Activity
	CFDA or	Other	Through	Entity's	
	Number	Number	Number	Number	
(1)	(1)	(1)	(1)	(1)	(1)

(1) Southern University - Board and System Administration did not disburse any federal expenditures during the year ended June 30, 2008.

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Agriculture</u>			
<u>Direct Awards</u>			
Agricultural Research - Basic and Applied Research	10.001	--	\$ 25,354
Tree Assistance Program	10.082	--	3,502
Payments to 1890 Land-Grants Colleges and Tuskegee University	10.205	--	(45,416)
Grants for Agricultural Research - Competitive Research Grants	10.206	--	65,748
1890 Institution Capacity Building Grants	10.216	--	192,947
Cooperative Extension Services	10.500	--	540,346
Technology Marketing Unit	10.674	--	31,288
Urban and Community Forestry Program	10.675	--	34,071
Wood and Education Resource Center	10.681	--	4,732
RUS Denali Commission Grants and Loans	10.858	--	128,689
Resource Conservation and Development	10.901	--	153,532
Agricultural Statistics Reports	10.950	--	120,034
Technical Agricultural Assistance	10.960	--	496
<u>Awards from a Pass-Through Entity</u>			
<u>Passed-Through: South Carolina State University</u>			
1890 Institution Capacity Building Grants	10.216	04-443621-FCS-SU-LA	3,750
<u>Passed-Through: University of Maryland Eastern Shore</u>			
1890 Institution Capacity Building Grants	10.216	206638820-174	7,032
<u>Passed-Through: University of South Carolina</u>			
1890 Institution Capacity Building Grants	10.216	PO84892j	9,774
<u>Passed-Through: University of Georgia</u>			
1890 Institution Capacity Building Grants	10.500	RE6751493504	3,821

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Agriculture, continued</u>			
<u>Research and Development Cluster</u>			
<u>Direct Awards</u>			
Agricultural Research - Basic and Applied Research	10.001	--	\$ 337,233
Payments to 1890 Land-Grant Colleges and Tuskegee University	10.205	--	55,532
Grants for Agricultural Research - Competitive Research Grants	10.206	--	2,698
1890 Institution Capacity Building Grants	10.216	--	117,449
Cooperative Extension Service	10.443	--	101,145
Cooperative Extension Service	10.500	--	81,103
Forestry Research	10.652	--	596
Total U.S. Department of Agriculture			1,975,456
<u>U.S. Department of Commerce</u>			
<u>Direct Awards</u>			
Measurement and Engineering Research and Standards (B)	11.609	--	3,496
Total U.S. Department of Commerce			3,496
<u>U.S. Department of Defense</u>			
<u>Direct Awards</u>			
Basic and Applied Scientific Research	12.300	--	165,915
<u>Research and Development Cluster</u>			
<u>Direct Awards</u>			
Emergency Operations Flood Response and Post Flood Response	12.103	--	600,304
Flood Plain Management Services	12.104	--	98,906
Collaborative Research and Development	12.114	--	10,266
Basic and Applied Scientific Research	12.300	--	104,484
Basic Scientific Research	12.431	--	863,756
Basic and Applied Advanced Research in Science and Engineering	12.630	--	245,594

The accompanying notes are an integral part of these schedules.

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Defense, Continued</u>			
<i>Awards from a Pass-Through Entity</i>			
Passed-Through: Earth Tech, Inc.			
Basic and Applied Scientific Research	12.300	659378416	\$ 53,600
Passed-Through: Tetra Tech, Inc.			
Basic and Applied Scientific Research	12.300	1000698	167,723
Passed-Through: Shaw Group			
Basic and Applied Research in Science and Engineering	12.630	IDIQ-102014	17,383
Passed-Through: CH2M Hill, Inc.			
Basic and Applied Research in Science and Engineering	12.630	PO 0909752	620,421
Passed-Through: Michael Baker, Jr. Inc			
Basic and Applied Research in Science and Engineering	12.630	Federal Programs 2005-1	16,502
Passed-Through: Clarkson Aerospace			
Air Force Defense Research Sciences Program	12.800		270,180
Passed-Through: The Shaw Group			
Mathematical Sciences Grants Program	12.901	P0291616	128,546
Total U.S. Department of Defense			3,363,580
<u>U.S. Department of Housing and Urban Development</u>			
<i>Direct Awards</i>			
Historically Black Colleges and Universities	14.520	-	291,934
Total U.S. Department of Housing and Urban Development			291,934

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Transportation</u>			
<u>Direct Awards</u>			
Highway Training and Education	20.215	--	\$ 4,775
<u>Awards from a Pass-Through Entity</u>			
Passed-Through: Louisiana Department of Transportation			
Highway Training and Education	20.215	01447245NSTI	14,139
Total U.S. Department of Transportation			18,914
<u>U. S. Department of the Treasury</u>			
<u>Direct Awards</u>			
Low-Income Taxpayer Clinics	21.008	--	74,032
Total U.S. Department of the Treasury			74,032
<u>National Aeronautics and Space Administration</u>			
<u>Direct Awards</u>			
Technology Transfer	43.002	--	45,729
<u>Awards from a Pass-Through Entity</u>			
Passed-Through: Iowa State University			
Aerospace Education Services Program	43.001	422-25-01	32,180
Passed-Through: Tulane University			
Technology Transfer	43.002	TUL1460203	23,801
<u>Research and Development Cluster</u>			
<u>Direct Awards</u>			
Aerospace Education Services Program	43.001	--	60,952
Technology Transfer	43.002	--	721,753
Total National Aeronautics and Space Administration			884,415

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. National Science Foundation</u>			
<u>Direct Awards</u>			
Mathematical and Physical Sciences	47.049	--	\$ 371,885
Computer and Information Science and Engineering	47.070	--	174,185
Education and Human Resources	47.076	--	1,256,886
<u>Awards from a Pass-Through Entity</u>			
Passed-Through: Michigan Technological University	47.041	405112	17,489
Engineering Grants			
Passed-Through: Michigan Technological University	47.076	021019Z	182,301
Integrative Graduate Education and Research Traineeship			
Passed-Through: University of Wisconsin	47.078	G067933	213,253
Polar Programs			
<u>Research and Development Cluster</u>			
<u>Direct Awards</u>			
Mathematical and Physical Sciences	47.049	--	113,010
Computer and Information Science and Engineering	47.070	--	46,252
Education and Human Resources	47.076	--	788,127
Total U.S. National Science Foundation			3,163,388
<u>U.S. Department of Energy</u>			
<u>Direct Awards</u>			
Office of Science Financial Assistance Program	81.049	--	167,673
Conservation Research and Development	81.086	--	18,805
Fossil Energy Research and Development	81.086	--	338

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Energy, Continued</u>			
<i>Awards from a Pass-Through Entity</i>			
Passed-Through: Howard University			
Conservation Research and Development	81.086	633254192525	\$ 14,161
Passed-Through: BWXT Y-12, LLC			
Renewable Energy Research and Development	81.087	430056337-38	64,373
Passed-Through: Midwest Research Institute			
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	ACQ43362301	26,061
<u>Research and Development Cluster</u>			
<u>Direct Awards</u>			
National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123	-	54,053
Total U.S. Department of Energy			345,464
<u>U.S. Department of Education</u>			
<u>Direct Awards</u>			
Higher Educational-Institutional Aid	84.031	-	7,197,943
Rehabilitation Long-Term Training	84.129	-	381,500
National Institute on Disability and Rehabilitation Research	84.133	-	359,365
Business and International Education Project	84.153	-	61,015
Capacity Building for Traditionally Underserved Populations	84.315	-	254,599
Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities	84.325	-	21,474
Hurricane Education Recovery	84.336	-	194,141
Underground Railroad Educational and Cultural Program	84.345	-	2,902

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
U.S. Department of Education, Continued			
<u>TRIO Cluster</u>			
<u>Direct Awards</u>			
TRIO-Student Support Services	84.042	--	(124)
TRIO-Talent Search	84.044	--	478,484
TRIO-Upward Bound	84.047	--	833,605
TRIO-McNair Post-Baccalaureate	84.217	--	167,267
<u>Student Financial Assistance Cluster</u>			
<u>Direct Awards</u>			
Federal Supplemental Educational Opportunity Grants	84.007	--	768,436
Federal Family Education Loans	84.032	--	55,179,125
Federal Work-Study Program	84.033	--	598,576
Federal Pell Grant Program	84.063	--	14,343,613
Academic Competitiveness Grants	84.375	--	369,375
National Science and Mathematics	84.376	--	109,312
Total U.S. Department of Education			81,320,608

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Health and Human Services</u>			
<u>Direct Awards</u>			
HIV Prevention Program for Women	93.015	--	\$ 88,386
Healthy Marriage Promotion and Responsible Fatherhood	93.086	--	213,320
Environmental Health	93.113	--	22,149
Advanced Education Nursing Traineeships	93.358	--	23,726
Head Start	93.600	--	116,352
Biomedical Research and Research Training	93.859	--	48,706
Scholarships for Health Professions	93.925	--	91,579
<u>Research and Development Cluster</u>			
Biological Response to Environmental Health Hazards	93.113	--	67,134
Biomedical Research and Research Training	93.859	--	196,824
<u>Awards from a Pass-Through Entity</u>			
<u>Passed-Through: Center for Public Service Communications</u>			
Public Health and Social Services Emergency Fund	93.003	--	23,378
<u>Passed-Through: Dillard University</u>			
NIEHS Hazardous Waste Worker Health and Safety Training	93.142	--	167,414
<u>Passed-Through: University of Kentucky Research Foundation</u>			
Policy Research and Evaluation Grants	93.239	--	8,000
<u>Passed-Through: National Black Women's Health Project</u>			
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	U50/CCU322186-02	10,411
<u>Passed-Through: Department of Social Services</u>			
Temporary Assistance for Needy Families	93.558	CFMS649769	127,424
<u>Passed-Through: National Youth Sports</u>			
Community Services Block Grant-Discretionary Awards	93.570	NYSPP05-1123	3,835

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Health and Human Services, continued</u>			
<i>Awards from a Pass-Through Entity, continued</i> <u>Passed-Through: McFarland and Associates</u>			
HIV Demonstration, Research, Public, and Professional Education Projects	93.941	MCF&A	\$ 72,340
Total U.S. Department of Health and Human Services			<u>1,280,978</u>
<u>U.S. Department of Homeland Security</u>			
<u>Direct Awards</u>			
Pre-Disaster Mitigation	97.047	--	<u>(723)</u>
Total U.S. Department of Homeland Security			<u>(723)</u>
<u>U.S. Agency for International Development</u>			
<i>Awards from a Pass-Through Entity</i> <u>Passed-Through: OCI International, Inc.</u> Cooperative Development Program	98.002	EDH-A-00-03-0021-00	<u>2,871</u>
Total U.S. Agency for International Development			<u>2,871</u>
Total Federal Expenditures of Federal Awards			\$ <u>92,724,413</u>

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Housing and Urban Development</u>			
<u>Direct Awards</u>			
Historically Black Colleges and Universities Program	14,520	N/A	\$ 141,683
Total U.S. Department of Housing and Urban Development			<u>141,683</u>
<u>U.S. National Science Foundation</u>			
<u>Direct Awards</u>			
Education and Human Resources	47,076	N/A	164,923
<u>Awards from a Pass-Through Entity</u>			
Passed-Through: Tulane University			
Education and Human Resources	47,076	HRD-0202178	<u>55,588</u>
Total U.S. National Science Foundation			<u>220,511</u>

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

<u>Federal Grantor/Program Name</u>	<u>Federal CFDA or Other Number</u>	<u>Pass Through Entity's Number</u>	<u>Activity</u>
<u>U.S. Small Business Administration</u>			
<u>Direct Awards</u>			
Education and Human Resources	59.527646	N/A	\$ 40,000
Total U.S. Small Business Administration			<u>40,000</u>
<u>U.S. Department of Education</u>			
<u>Direct Awards</u>			
Higher Education-Institutional Aid	84.031B	N/A	1,976,340
Minority Science Improvement Award	84.120A	N/A	108,050
<u>TRIO Cluster</u>			
TRIO-Student Support Services	84.042A	N/A	330,757
TRIO-Talent Search	84.044A	N/A	626,954
TRIO- Upward Bound	84.047A	N/A	412,010

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Education, Continued</u>			
<u>Student Financial Assistance Cluster</u>			
Federal Pell Grant Program	84.063	N/A	\$ 5,137,770
Federal Supplemental Educational Opportunity Grants	84.007	N/A	154,241
Federal Family Education Loans	84.032	N/A	12,141,949
Federal Work-Study Program	84.033	N/A	271,195
Total U.S. Department of Education			21,159,266
<u>U.S. Department of Health and Human Services</u>			
<u>Direct Awards</u>			
Domestic Violence	93.4121	N/A	125,332
Total U.S. Department of Health and Human Services			125,332
Total Expenditures of Federal Awards			\$ 21,686,792

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

<u>Federal Grantor/Program Name</u>	<u>Federal CFDA or Other Number</u>	<u>Pass Through Entity's Number</u>	<u>Activity</u>
<u>U.S. Department of Housing and Urban Development</u>			
<u>Direct Awards</u>			
Housing and Urban Development	14.237	--	\$ (4,002)
Community Outreach Partnership Center Program	14.511	--	56,704
Historically Black Colleges and Universities Program	14.520	--	325,936
Total U.S. Department of Housing and Urban Development			<u>378,638</u>
<u>U.S. Department of Labor</u>			
<u>Direct Awards</u>			
WIA Pilots, Demonstrations, and Research Projects	17.261	--	<u>521,963</u>
Total U.S. Department of Labor			<u>521,963</u>
<u>U.S. Environmental Protection Agency</u>			
<u>Direct Awards</u>			
Brownfield Job Training Cooperative Agreements	66.815		<u>102,285</u>
Total U.S. Environmental Protection Agency			<u>102,285</u>

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Education</u>			
<u>Direct Awards</u>			
Higher Education-Institutional Aid	84.031	--	\$ 3,186,647
<u>TRIO Cluster</u>			
<u>Direct Awards</u>			
TRIO-Student Support Services	84.042A	--	327,118
TRIO-Talent Search	84.044A	--	366,487
TRIO-Upward Bound	84.047A	--	851,168
TRIO-Educational Opportunities Centers	84.066A	--	216,595
<u>Student Financial Assistance Cluster</u>			
<u>Direct Awards</u>			
Federal Supplemental Educational Opportunity Grants	84.007	--	49,550
Federal Family Education Loans	84.007	--	5,149,980
Federal Work-Study Program	84.033	--	125,876
Federal Pell Grant Program	84.063	--	4,642,116
Total U.S. Department of Education			<u>14,915,537</u>

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Pass Through Entity's Number	Activity
<u>U.S. Department of Health and Human Services</u>			
<u>Research and Development Cluster</u>			
<u>Direct Awards</u>			
Child Health and Human Development Extramural Research	93.865	--	\$ 777
Minority Health and Health Disparities Research	93.307	--	<u>322,217</u>
Total U.S. Department of Health and Human Services			<u>322,994</u>
Total Expenditures of Federal Awards			\$ <u>16,241,417</u>

The accompanying notes are an integral part of these schedules.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 - GENERAL:

The **Southern University System (the University)** is a publicly supported institution of higher education. **The University** is a political subdivision of the State of Louisiana, as defined by Government Accounting Standards Board Statement Number 14 within the Executive Branch of government, under the management and supervision of the Southern University Board of Supervisors. However, the annual budget of **the University** and proposed changes to the degree programs, departments of instruction, et cetera, require the approval of the Board of Regents. The Board of Supervisors is comprised of 17 members appointed for a six-year term by the Governor with the consent of the Senate, and one student member appointed for a one-year term by a council composed of the student body presidents of **the University**. As a State agency, operations of **the University's** instructional programs are funded through annual lapsing appropriations made by the Louisiana Legislature.

The **Southern University System** is comprised of four separate agencies. These agencies are :

Board and System Administration;
Baton Rouge Campus;
New Orleans Campus; and
Shreveport-Bossier City Campus.

The accompanying Schedules of Expenditures of Federal Awards (the Schedules) presents the activity of all federal financial assistance programs administered by the **Southern University System**. All expenditures of federal awards received directly from federal agencies and pass-through entities are included on the Schedules. Because the Schedules present only a selected portion of the activities of the System, it is not intended to and does not present either the financial position, changes in fund balances, or the current funds revenues, expenditures, and other changes of **the University**.

Annually, the State of Louisiana issues a Schedule of Expenditures of Federal Awards, which includes the activity contained in the accompanying Schedules of Expenditures of Federal Awards.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 2 - BASIS OF ACCOUNTING AND PRESENTATION:

The accompanying Schedules of Expenditures of Federal Awards are presented using the modified accrual basis of accounting which is described in the notes to the **University's** component unit financial statements which are audited by the Legislative Auditors. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

All federal grant expenditures, except Cooperative Extension (CFDA Number 10.500) and Payments to 1890 Land Grant Colleges and Tuskegee University (CFDA Number 10.205), are accounted for in the Current Funds-Restricted of the respective agency of the **University**. Grant expenditures relative to Cooperative Extension and Payments to 1890 Land Grant Colleges are accounted for in the Current Funds-Unrestricted of the Baton Rouge Campus. However, for purposes of reporting expenditures of federal awards, such transactions are reported in the Schedules of Expenditures of Federal Awards - Board and System Administration and the Baton Rouge Campus.

The accompanying Schedules of Expenditures of Federal Awards has been prepared in the format as set forth in OMB Circular A-133 and the related Compliance Supplement. The purpose of the Schedule of Expenditures of Federal Awards is to present a summary of those activities of the **Southern University System** for the year ended June 30, 2008, which have been financed principally by the U. S. Government (federal awards). For purposes of the schedules, federal awards include all federal assistance and procurement relationships entered into directly between the **University** and the federal government and sub-awards from non-federal organizations made under federally sponsored agreements. Because the Schedules present only a selected portion of the activities of the **University**, it is not intended to and does not present either the financial position, changes in fund balances or the current fund's revenues, expenditures, and other changes of the **University**.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

**NOTE 3 - PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS):**

The Perkins Loan Program, (the Program) formerly the National Direct Student Loan Program, is operated by the **University** under an agreement with the United States Department of Education. Each campus within the **University** maintains its own separate Loan Fund. The accounts of each Program are included among the Loan Funds for each campus within the **University**.

During the current fiscal year, Campus Partners, formerly AMS Servicing Group an outside service center, provided billing and collection services on behalf of the Baton Rouge and Shreveport-Bossier City Campuses.

The Shreveport-Bossier City and Baton Rouge Campuses did not disburse any loans to students during the year ended June 30, 2008. Additionally, the campuses did not receive any federal capital contributions during the year ended June 30, 2008. The New Orleans Campus has discontinued the Perkins Loan program and has repaid the Federal Fund Capital to the U.S. Department of Education.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 3 - PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS), CONTINUED

BATON ROUGE CAMPUS

Listed below is a brief summary of the loan activity as taken from the unaudited records for each campus:

	Period from Inception to June 30, 2008 <u>(Unaudited)</u>	For the Year Ended <u>June 30, 2008</u>
<u>Contributions</u>		
Federal	\$6,616,617	\$ -0-
University	<u>735,180</u>	<u>-0-</u>
Total	<u>\$7,351,797</u>	<u>\$ -0-</u>
<u>Repayments of Fund Capital</u>		
Federal	\$2,092,551	\$ -0-
University	<u>232,505</u>	<u>-0-</u>
Total	<u>\$2,325,056</u>	<u>\$ -0-</u>
<u>Analysis of Loans Receivable</u>		
Balance, 07/01/07	\$ -0-	\$1,676,002
Funds advanced/adjustments	<u>9,942,682</u>	<u>-0-</u>
Total	<u>9,942,682</u>	<u>1,676,002</u>
Less: Credits		
Collections	4,888,740	77,760
Cancellations-		
Teaching service\military	561,757	-0-
Death\disability	54,631	-0-
Bankruptcy	89,978	1,510
Defaulted loan principal assigned to Federal		
Government	2,713,335	-0-
Other adjustments	<u>37,509</u>	<u>-0-</u>
Total credits	<u>8,345,950</u>	<u>79,270</u>
Balance 06/30/08	<u>\$1,596,732</u>	<u>\$1,596,732</u>

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 3 - PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS), CONTINUED

SHREVEPORT-BOSSIER CAMPUS

	Period from Inception to June 30, 2008 <u>(Unaudited)</u>	For the Year Ended <u>June 30, 2008</u>
<u>Contributions</u>		
Federal	\$ 941,904	\$ -0-
University	<u>104,656</u>	<u>-0-</u>
Total	<u>\$1,046,560</u>	<u>\$ -0-</u>
 <u>Repayments of Fund Capital</u>		
Federal	\$ 417,278	\$ -0-
University	<u>44,564</u>	<u>-0-</u>
Total	<u>\$ 461,842</u>	<u>\$ -0-</u>

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 3 - PROGRAM ACTIVITY, ORGANIZATION
AND FINANCING (PERKINS LOANS), CONTINUED

SHREVEPORT-BOSSIER CAMPUS

	Period from Inception to June 30, 2008 <u>(Unaudited)</u>	For the Year Ended <u>June 30, 2008</u>
<u>Analysis of Loans Receivable</u>		
Balance, 07/01/07	\$ -0-	\$ 460,128
Funds advanced	<u>1,364,255</u>	<u>-0-</u>
Total	<u>1,364,255</u>	<u>460,128</u>
Less:		
Collections	782,619	9,883
Cancellations--		
Teaching service	3,795	-0-
Death/Disability	15,371	-0-
Bankruptcy	12,694	-0-
Defaulted loan principal assigned to Federal Government	89,804	-0-
Loan principal adjustments	<u>9,727</u>	<u>-0-</u>
Total credits	<u>914,010</u>	<u>9,883</u>
Balance, 06/30/08	<u>\$ 450,245</u>	<u>\$ 450,245</u>

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 4 - PELL GRANT PROGRAM:

The Pell Grant program provides eligible students with a foundation of financial aid to help defray the costs of post-secondary education. The University receives direct payment from the U.S. Department of Education for allowable administrative costs.

During the year ended June 30, 2008, each campus disbursed the following amounts for Pell Grants for the prior and current year, and received the following direct payments from the U.S. Department of Education for allowable administrative costs.

<u>Pell Campus</u>	<u>Expenditures</u>	<u>Administrative Cost Recovery</u>
Baton Rouge	<u>\$14,343,613</u>	<u>\$ 20,645</u>
New Orleans	<u>\$ 5,137,770</u>	<u>\$ 7,860</u>
Shreveport-Bossier City	<u>\$ 4,642,116</u>	<u>\$ 13,030</u>

NOTE 5 - FEDERAL FAMILY EDUCATION LOAN PROGRAM:

The Student Loan Programs enable eligible students to borrow directly from a bank or other lending institutions, and a portion of the loan is guaranteed by the Federal Government. The loan activity is not required to be recorded in the accounting records of the University. During the year ended June 30, 2008, the following amounts were disbursed by each campus for the Federal Family Education Loan Program:

	<u>Federal Family Education Loan Amount</u>
Baton Rouge	<u>\$55,179,125</u>
New Orleans	<u>\$12,141,949</u>
Shreveport-Bossier City	<u>\$ 5,149,980</u>

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 6 - COLLEGE WORK-STUDY PROGRAM:

The University established the College Work-Study (CWS) Program pursuant to Title IV, Part C of the Higher Education Act of 1965, as amended. During the year ended June 30, 2008, the following amounts were disbursed by each campus for the CWS Program:

<u>Description</u>	<u>Amount</u>
<u>Baton Rouge Campus</u>	
Federal expenditures	\$ 570,072
Administrative costs	<u>28,504</u>
Sub-total	598,576
Institutional matching	<u>-0-</u>
Total	<u>\$ 598,576</u>
<u>New Orleans Campus</u>	
Federal expenditures	\$ 258,281
Administrative costs	<u>12,914</u>
Sub-total	271,195
Institutional matching	<u>-0-</u>
Total	<u>\$ 271,195</u>
<u>Shreveport-Bossier City Campus</u>	
Federal expenditures	\$ 120,287
Administrative costs	<u>5,589</u>
Sub-total	125,876
Institutional matching	<u>-0-</u>
Total	<u>\$ 125,876</u>

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 6 - COLLEGE WORK-STUDY PROGRAM, CONTINUED:

The Baton Rouge, New Orleans and Shreveport-Bossier City Campuses elected and received approval from the U.S. Department of Education to waive the institutional matching requirement for the College Work-Study Program's approved funding level for the fiscal year ended June 30, 2008. Each campus was entitled to this waiver because of its participation in the Strengthening Historically Black Colleges Title III Program.

NOTE 7 - FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS:

The Federal Supplemental Educational Opportunity Grants (FSEOG) Program was established at **the University** in 1965 under Title IV, Part A of the Higher Education Act of 1965, as amended. During the year ended June 30, 2008. The following amounts were disbursed by each campus for the FSEOG Program:

<u>Description</u>	<u>Amount</u>
<u>Baton Rouge Campus</u>	
Federal expenditures	\$ 736,722
Administrative costs	<u>31,714</u>
Sub-total	768,436
Institutional matching	<u>-0-</u>
Total	<u>\$ 768,436</u>
<u>New Orleans Campus</u>	
Federal expenditures	\$ 146,896
Administrative costs	<u>7,345</u>
Sub-total	154,241
Institutional matching	<u>-0-</u>
Total	<u>\$ 154,241</u>
<u>Shreveport-Bossier City Campus</u>	
Federal expenditures	\$ 48,075
Administrative costs	<u>1,475</u>
Sub-total	49,550
Institutional matching	<u>-0-</u>
Total	<u>\$ 49,550</u>

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 8 - STATE EXPENDITURES - PREVENTIVE MAINTENANCE:

As provided by Louisiana Revised Statute 17:3886(A), **the University** adopted a building and facility preventive maintenance program which was approved by the Louisiana Board of Regents. This program allows **the University** to retain any funds appropriated or allocated, which were unexpended and unobligated at the end of the fiscal year.

NOTE 9 - AGENCY FUNDS:

This fund group represents funds for which **the University** acts as custodian or fiscal agent on behalf of others, such as student or faculty organizations and workshops.

NOTE 10 - CONTINGENCIES:

Participation in Grant/Loan Programs

The University administers and participates in certain federal and state programs as disclosed in the Schedules of Expenditures of Federal Awards. In connection with the administration and operations of these programs, **the University** is to expend grant funds, and allocations in accordance with program guidelines and regulations. However, should **the University** have operated/administered the programs and/or grants in a manner which would be in noncompliance with the guidelines and regulations, **the University** may be required by funding sources to repay some portion or all of the grant award.

The audit disclosed certain items or transactions as questioned costs. The accompanying Schedules of Expenditures of Federal Awards have not been adjusted for those items. The ultimate resolution or determination as to whether the costs will be allowable or unallowable under the affected grants will be made by the related agencies and the various funding sources.

SOUTHERN UNIVERSITY SYSTEM
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
(CONTINUED)

NOTE 11 - MAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS:

The **Southern University System's** major federal financial assistance programs for the year ended June 30, 2008 were determined on a state level based upon program update activity. Such programs are the Student Financial Assistance Cluster, Research and Development Clusters, Foster Care - Title IV-E, the Scholarships for Students from Disadvantaged Backgrounds, Temporary Assistance for Needy Families, Improving Teacher Quality State Grants, Hurricane Education Recovery, and Higher Education - Institutional Aid.

NOTE 12 - SUPPLEMENTARY FINANCIAL INFORMATION:

The Schedules of Disclosures for Federally Assisted Loans summarizes the amount of loans made or disbursed during the year for the Federal Family Education Loan, William D. Ford Federal Direct Loan Program, College Housing Facilities Loans, and the Perkins Loan. Additionally, the Schedules summarize the amount of principal and interest canceled (military and teacher) for the National Defense/Perkins Loan Program.

The Schedules of Fixed Price Contracts summarizes the total amount of revenues received and expenses disbursed under fixed-price contracts.

The Schedules of Non-Federal Expenditures and Disbursements sets forth the program expenditures and disbursements funded by the State of Louisiana and private sources.

The Schedules of Secondary Subrecipients of Major Federal Programs represent disbursements of major program funds to non-State of Louisiana subrecipients.

The Schedules of State Agency/University Subrecipients of Federal Programs represent disbursement of federal funds to State of Louisiana agencies.

The Schedules of Interagency Expenditures of Federal Awards summarizes federal expenditures financed by the State of Louisiana with funds received from the federal government.

SUPPLEMENTARY DATA

SCHEDULE I

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2008**

Program Name	Federal CFDA Number	Loans Disbursed	Outstanding Loan Balance	Principal and Interest
Federal Family Education Loans	84.032	\$ <u>0</u>	N/A	N/A
National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72	84.037	\$ <u>0</u>	N/A	N/A
Federal Perkins Loans	84.038	\$ <u>0</u>	N/A	N/A
College Housing and Other Educational Facilities Loans	84.142	\$ <u>0</u>	N/A	N/A

See Independent Auditors' Report on Supplementary Information.

SCHEDULE II

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS**

**SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2008**

Program Name	Federal CFDA Number	Loans Disbursed	Outstanding Loan Balance	Principal and Interest
Federal Family Education Loans	84.032	\$ 55,179,125	N/A	N/A
National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72	84.037	\$ 0	N/A	N/A
Federal Perkins Loans	84.038	\$ 0	\$ 1,596,732	N/A
College Housing and Other Educational Facilities Loans	84.142	\$ 0	N/A	N/A

See Independent Auditors' Report on Supplementary Information.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2008

Program Name	Federal CFDA Number	Loans Disbursed	Outstanding Loan Balance	Principal and Interest
Federal Family Education Loans	84.032	\$ 12,141,949	N/A	N/A
National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72	84.037	\$ 0	N/A	N/A
Federal Perkins Loans	84.038	\$ 0	N/A	N/A
College Housing and Other Educational Facilities Loans	84.142	\$ 0	N/A	N/A
William D. Ford Federal Direct	84.268	\$ 0	N/A	N/A

See Independent Auditors' Report on Supplementary Information.

SCHEDULE IV

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT - BOSSIER CITY CAMPUS
SCHEDULE OF DISCLOSURES FOR FEDERALLY ASSISTED LOANS
FOR THE YEAR ENDED JUNE 30, 2008

Program Name	Federal CFDA Number	Loans Disbursed	Outstanding Loan Balance	Principal and Interest
Federal Family Education Loans	84.032	\$ <u>5,149,980</u>	N/A	N/A
National Defense/Perkins Loans Military and Teacher Cancellations for Loans made after 07/01/72	84.037	\$ <u>0</u>	N/A	N/A
Federal Perkins Loans	84.038	\$ <u>0</u>	\$ <u>450,245</u>	N/A
College Housing and Other Educational Facilities Loans	84.142	\$ <u>0</u>	N/A	N/A
William D. Ford Federal Direct	84.268	\$ <u>0</u>	N/A	N/A

See Independent Auditors' Report on Supplementary Information.

SCHEDULE V

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2008**

<u>Program Name</u>	<u>Federal CFDA Number</u>	<u>Grantor</u>	<u>Project Name</u>	<u>Award I.D. Number</u>	<u>Award Period</u>	<u>Revenues</u>	<u>Expenditures</u>
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

(1) Southern University - Board and System Administration did not receive any revenues under the terms of fixed-price contracts during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2008

Program Name	Federal CFDA Number	Grantor	Pass Through Entity	Award ID Number	Revenues
Emergency Operations Flood Response and Post Flood Response	12.103	U.S. Department of Defense	U.S. Corp of Engineers	W912P807D000	\$ 600,304
Flood Plain Management Services	12.104	U.S. Department of Defense	U.S. Corp of Engineers	W912P807D000	83,839
Flood Plain Management Services	12.104	U.S. Department of Defense	U.S. Corp of Engineers	W912P908D050	13,067
Basic and Applied Scientific Research	12.300	U.S. Department of Defense	Tetra Tech		167,723
Basic Scientific Research	12.431	U.S. Department of Defense	U.S. Corp of Engineers	W912P805D001	445,725
Basic Scientific Research	12.431	U.S. Department of Defense	U.S. Corp of Engineers	W911NF071042	60,743
Basic Scientific Research	12.431	U.S. Department of Defense	U.S. Dept of Army	W911NF071050	278,516
Basic, Applied, and Advanced Research in Science and Engineering	12.630	U.S. Department of Defense	U.S. Corp of Engineers	W912P807D000	245,640
Basic, Applied, and Advanced Research in Science and Engineering	12.630	U.S. Department of Defense	CH2MHILL	PO 909752	413,236
Basic, Applied, and Advanced Research in Science and Engineering	12.630	U.S. Department of Defense	Michael Baker, Jr. Inc.		16,502
Basic, Applied, and Advanced Research in Science and Engineering	12.630	U.S. Department of Defense	CH2MHILL		207,185
Mathematical Sciences Grants Program	12.901	U.S. Department of Defense	Shaw Environmental	217812OP	63,699
Mathematical Sciences Grants Program	12.901	U.S. Department of Defense	Shaw Environmental	29744OP	64,847
Renewable Energy Research and Development	81.087	U.S. Department of Energy	BWXT Y-12, LLC	FEDERALPROG	64,373
Dissemination, Outreach, Training and Technical Analysis Assistance	81.117	U.S. Department of Energy	BWXT Y-12, LLC	ACQ-4-33623-01	26,061
Total Schedule of Fixed-Price Contracts					\$ 2,753,460

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VII

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2008

Program Name	Federal CFDA Number	Grantor	Project Name	Award ID. Number	Award Period	Revenues	Expenditures
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

(1) Southern University - New Orleans Campus did not receive any revenues under the terms of fixed-price contracts during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE VIII

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT - BOSSIER CITY CAMPUS
SCHEDULE OF FIXED-PRICE CONTRACTS
FOR THE YEAR ENDED JUNE 30, 2008**

Program Name	Federal CFDA		Grantor	Project Name	Award I.D.		Award Period	Revenues	Expenditures
	Number				Number				
(1)	(1)		(1)	(1)	(1)		(1)	(1)	(1)

(1) Southern University - Shreveport - Bossier City Campus did not receive any revenues under the terms of fixed-price contracts during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE IX

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	Secondary Subrecipient
(1)	(1)	(1)	(1)	(1)

(1) Southern University - Board and System did not disburse any funds under terms of non-state subrecipients during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE X

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
 SCHEDULE OF SECONDARY SUBRECIPIENTS OF
 MAJOR FEDERAL PROGRAMS
 FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	Secondary Subrecipient
U.S. Department of Agriculture	10.500	Cooperative Extension Service	\$ 1,027	University of Ghana
U.S. Department of Agriculture	10.901	Resources Conservation and Development	109,000	East Arkansas Enterprise
U.S. Department of Defense	12.103	Emergency Operations Flood Response and Post Flood Response	451,876	Shaw Environmental
U.S. Department of Defense	12.104	Flood Plain Management Services	57,310	HDR Engineering, Inc
U.S. Department of Defense	12.104	Flood Plain Management Services	15,067	The National Great Rivers Research and Education
U.S. Department of Defense	12.300	Basic and Applied Scientific Research	6,331	Pennsylvania State University
U.S. Department of Defense	12.300	Basic and Applied Scientific Research	13,963	The University of Texas
U.S. Department of Defense	12.300	Basic and Applied Scientific Research	167,723	TestAmerica Laboratory
U.S. Department of Defense	12.431	Basic Scientific Research	167,649	Shaw Environmental
U.S. Department of Defense	12.630	Basic, Applied, and Advanced Research in Science and Engineering	218,591	Mel, Incorporated
U.S. Department of Defense	12.630	Basic, Applied, and Advanced Research in Science and Engineering	17,383	GPL Laboratories, LLC
U.S. Department of Defense	12.630	Basic, Applied, and Advanced Research in Science and Engineering	85,853	Severn Trent Laboratories

See Independent Auditors' Report on Supplementary Information.

SCHEDULE X

**SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	Secondary Subrecipient
U.S. Department of Defense	12.630	Basic, Applied, and Advanced Research in Science and Engineering	\$ 551,070	TestAmerica Laboratory
U.S. Department of Defense	12.901	Mathematical Sciences Grants Program	44,572	Emax Laboratories
U.S. Department of Defense	12.901	Mathematical Sciences Grants Program	6,789	PDC Labs/Environmetrics
U.S. Department of Defense	12.901	Mathematical Sciences Grants Program	13,368	Severn Trent Laboratories
U.S. Department of Defense	12.901	Mathematical Sciences Grants Program	49,343	TestAmerica Laboratory
U.S. Department of Housing and Urban Development	14.520	Historically Black Colleges and Universities Program	2,100	Young Real Estate Group, LLC
U.S. Department of Housing and Urban Development	14.520	Historically Black Colleges and Universities Program	9,500	BMC3 Environmental
U.S. Department of Housing and Urban Development	14.520	Historically Black Colleges and Universities Program	11,500	Israelite Baptist Church
U.S. Department of Housing and Urban Development	14.520	Historically Black Colleges and Universities Program	3,540	The Baton Rouge Black Chamber
National Aeronautics and Space Administration	43.002	Technology Transfer	16,163	Smithsonian Astrophysics
U.S. National Science Foundation	47.076	Education and Human Resources	142,370	Carnegie Learning, Inc
U.S. Department of Education	84.133	National Institute on Disability and Rehabilitation Research	47,959	East Carolina University

See Independent Auditors' Report on Supplementary Information.

SCHEDULE X

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	Secondary Subrecipient
U.S. Department of Education	84.133	National Institute on Disability and Rehabilitation Research	\$ 62,231	Navajo Technical College
U.S. Department of Education	84.133	National Institute on Disability and Rehabilitation Research	29,786	The Institute for Rehabilitation and Research
U.S. Department of Education	84.133	National Institute on Disability and Rehabilitation Research	34,483	The University of Memphis
U.S. Department of Health and Human Services	93.113	Environmental Health	89,283	University of Texas
Total			<u>\$ 2,425,830</u>	

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XI

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	Secondary Subrecipient
(1)	(1)	(1)	(1)	(1)

(1) Southern University - New Orleans Campus - did not disburse any major federal program funds to secondary subrecipients during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XII

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT - BOSSIER CITY CAMPUS
SCHEDULE OF SECONDARY SUBRECIPIENTS OF
MAJOR FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	Secondary Subrecipient
(1)	(1)	(1)	(1)	(1)

(1) Southern University - Shreveport-Bossier City Campus - did not disburse any major federal program funds to secondary subrecipients during the year ended June 30, 2008.

SCHEDULE XIII

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	State Agency or University Subrecipient
------------------------	---	---------------------	-----------------	--

(1)	(1)	(1)	(1)	(1)
-----	-----	-----	-----	-----

(1) Southern University - Board and System Administration - did not disburse any federal program funds to state agency/university subrecipients during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	State Agency or University Subrecipient
U.S. Department of Housing and Urban Development	14.520	Historically Black Colleges and Universities Program	\$ 23,625	Louisiana Department of Economic Development
National Aeronautics and Space Administration	43.002	Technology Transfer	136,929	Louisiana State University
U.S. National Science Foundation	47.076	Education and Human Resources	73,240	Louisiana State University
U.S. Department of Energy	81.123	National Nuclear Security Administration Minority Serving Institutions Program	30,150	Louisiana State University
Total			\$ 263,944	

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XV

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	State Agency or University Subrecipient
(1)	(1)	(1)	(1)	(1)

(1) Southern University - New Orleans Campus - did not disburse any federal program funds to state agency/university subrecipients during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XVI

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
SCHEDULE OF STATE AGENCY/UNIVERSITY
SUBRECIPIENTS OF FEDERAL PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor	Federal CFDA or Other Number	Program Name	Activity	State Agency or University Subrecipient
(1)	(1)	(1)	(1)	(1)

(1) Southern University - Shreveport-Bossier City Campus - did not disburse any federal program funds to state agency/university subrecipients during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SCHEDULE XVII

**SOUTHERN UNIVERSITY SYSTEM
BOARD AND SYSTEM ADMINISTRATION
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008**

<u>Federal Grantor/Program Name</u>	<u>Federal CFDA or Other Number</u>	<u>Primary State Agency</u>	<u>Activity</u>
(1)	(1)	(1)	(1)

(1) Southern University - Board and System did have any interagency expenditures of federal awards during the year ended June 30, 2008.

See Independent Auditors' Report on Supplementary Information.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Primary State Agency	Activity
National Aeronautics and Space Administration - Aerospace Education Services	43.001	Louisiana State University	\$ 5,900
U.S. National Science Foundation - Modeling Inquiry SC	47.049	Louisiana Board of Regents	387,761
U.S. National Science Foundation - Computer and Information Science and Engineering	47.070	Louisiana State University	22,720
U.S. National Science Foundation - Education and Human Services	47.076	Louisiana State University	17,801
U.S. National Science Foundation - Office of Cyberinfrastructure	47.080	Louisiana Board of Regents	1,427
U.S. Small Business Administration - Small Business Development Center	59.037	University of Louisiana at Monroe	143,675
U.S. Department of Energy	81.022	Louisiana Board of Regents	48,193
U.S. Department of Energy - Office of Science Financial Assistance	81.047	Louisiana Board of Regents	48,468
U.S. Department of Energy- Defense Nuclear Nonproliferation Research	81.113	Louisiana State University	12,193
U.S. Department of Education - TRIO - Upward Bound	84.047	Louisiana Department of Education	8,894
U.S. Department of Education- Improving Teacher Quality State Grants	84.367	Louisiana Board of Regents	130,062
U. S. Department of Education - Hurricane Education Recovery	84.938	Louisiana Department of Education	18,039
U.S. Department of Health and Human Services - National Center for Research Resources	93.389	Louisiana State University	298,015
U.S. Department of Health and Human Services - Temporary Assistance for Needy Families	93.558	Louisiana Department of Social Services	736,202

See Independent Auditors' Report on Supplementary Information.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Primary State Agency	Activity
U.S. Department of Health and Human Services - Foster Care - Title IV-E	93.658	Louisiana Department of Social Services	\$ 196,539
U. S. Department of Homeland Security - Pre-Disaster Mitigation Disaster Resistant Universities	97.063	Louisiana Military Department	10,634
Total Interagency Expenditures of Federal Awards			\$ 2,086,523

See Independent Auditors' Report on Supplementary Information.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Primary State Agency	Activity
U.S. Department of Housing and Urban Development- Community Development Block Grants (5-28104)	14.520	LA Department of Economic Development	\$ 19,399
U.S. National Science Foundation- Louisiana Alliance for Minority Participants- NSF Portion (5-28027)	47.076	LA Board of Regents	19,808
U.S. Department of Health and Human Services- Foster Care Title IV-E (5-27093 & 5-27094)	93.658	LA Department of Social Services, Office of Community Services	214,708
U.S. Department of Health and Human Services - Basic Elderly Crisis (5-27087 & 5-27095 & 5-27097)	93.389	LA Department of Health and Hospitals, Office of Mental Health	209,481
Total Interagency Expenditures of Federal Awards			\$ 463,396

See Independent Auditors' Report on Supplementary Information.

SOUTHERN UNIVERSITY SYSTEM
 SHREVEPORT-BOSSIER CITY CAMPUS
 SCHEDULE OF INTERAGENCY EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2008

Federal Grantor/Program Name	Federal CFDA or Other Number	Primary State Agency	Activity
U.S. Department of Housing and Urban Development - Community Block Grant	14.218	City of Shreveport	\$ 1,120
U.S. Department of Labor-WIA Youth Activities	17.259	City of Shreveport	117,043
U. S. Department of Labor - Incentive Grants- WIA Section 503	17.267	LA Community & Technical College System	2,857
U.S. National Science Foundation-Education & Human Resources	47.076	LA Board of Regents	8,913
U. S. Department of Education - Vocational Education - Basic Grants to States	84.048A	LA Community & Technical College System	627,903
U.S. Department of Health and Human Services-NIEHS Superfund Hazardous Waste Worker Health and Safety Training	93.142	OAI, Inc	4,513
U.S. National Institutes of Health-Biomedical Research and Research Training	93.859	Grambling State University	1,767
Total Interagency Expenditures of Federal Awards			\$ 764,116

See Independent Auditors' Report on Supplementary Information.



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Dr. Ralph Slaughter, President
Southern University System
Baton Rouge, Louisiana 70813

We have audited the Schedule of Expenditures of Federal Awards of the **Southern University System (the University)** as of and for the year ended June 30, 2008, and have issued our report thereon dated January 30, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The component unit financial statements were audited by the State of Louisiana's Legislative Auditor whose report had not been issued as of this report issuance date.

Internal Control Over Financial Reporting

In planning and performing our audit, except for the functions performed at the **University's** Service Bureau in connection with processing transactions for the NDSL/Perkins program and Nursing Student Loan Program, we considered the **University's** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the effectiveness of the **University's** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the **University's** internal control over financial reporting.

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

(CONTINUED)

Internal Control Over Financial Reporting, Continued

For the information system internal control categories at the Service Bureau, another accountant performed procedures to obtain reasonable assurance about whether (1) the description of controls related to the System III Loan Servicing System application of Campus Partners' present fairly, in all material respects, the aspects of Campus Partners' controls that may be relevant to a user organization's internal control structure as it relates to an audit of the financial statements, (2) the controls included in the description were suitably designed to achieve the control objectives specified in the description, if those controls were complied with satisfactorily, and (3) such controls had been placed in operation as of June 30, 2008. The other accountants' report has been furnished to us as of our report issuance date in which an unqualified opinion was expressed regarding the previous noted controls.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

 (CONTINUED)

Internal Control Over Financial Reporting, Continued

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Also, we noted that other accountants for the Service Bureau expressed an unqualified opinion on specific controls tested.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's Schedule of Expenditures of Federal Awards is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests of compliance disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

INDEPENDENT AUDITORS' REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS
(CONTINUED)

This report is intended for the information and use of the President, management and federal awarding agencies and pass-through entities, and the Legislative Auditors' office and is not intended to be and should not be used by anyone other than these specified parties.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

January 30, 2009



Member
American Institute of
Certified Public Accountants
Society of Louisiana
Certified Public Accountants

Michael B. Bruno, CPA
Alcide J. Tervalon, Jr., CPA
Waldo J. Moret, Jr., CPA
Paul K. Andoh, Sr., CPA
Joseph A. Akanji, CPA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Dr. Ralph Slaughter, President
Southern University System
Baton Rouge, Louisiana 70813

Compliance

We have audited the compliance of the **Southern University System (the University)** with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. The component unit financial statements were audited by the State of Louisiana's Legislative Auditor whose report had not been issued as of our report issuance date. The **University's** major federal programs are identified in the summary of independent auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of **the University's** management. Our responsibility is to express an opinion on **the University's** compliance based on our audit.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2008-01, 2008-02, 2008-03, 2008-04, 2008-05, 2008-06, 2008-07, 2008-08 and 2008-09.

We did not audit the University's compliance with certain regulations governing the processing of student loans for the NDSL/Perkins and Nursing Student Loan Programs as set forth therein relative to participation in the Federal Student Financial Assistance Program. Those administrative requirements govern functions performed by the Service Bureau. Since we did not apply auditing procedures to satisfy ourselves regarding compliance with those requirements, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on compliance with those requirements.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

The Service Bureau's compliance assertions with respect to its servicing of the NDSL/ Perkins Loan and Nursing Student Loan Programs for **the University** was examined by another accountant, whose report was furnished to us as of our report issuance date. Based on our review of the other accountants' report, we have determined that all of the compliance requirements included in the OMB Circular A-133 Compliance Supplement that are applicable to the programs in which **the University** participates are addressed in either our report or the report of the other accountant. The independent accountant indicated that no findings or questioned costs were noted as a result of the compliance attestation examination on the service bureau.

Internal Control Over Compliance

The management of **the University** is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, except for the functions performed at **the University's** Service Bureau in connection with processing transactions for the NDSL/Perkins and Nursing Student Loan Programs, we considered **the University's** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

For the internal control over compliance categories at the Service Bureau, another accountant examined management's assertions with respect to establishing internal control systems that assured compliance with reporting, NDSL/Perkins and Nursing Student Loan collections and due diligence, and servicer eligibility. The other accountants' report has been furnished to us as of our report issuance date.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

Internal Control Over Compliance, Continued

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the University's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 2008-01, 2008-02, 2008-05, 2008-06, 2008-07, 2008-08 and 2008-09.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2008-02, 2008-07, 2008-08 and 2008-09 to be material weaknesses.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
(CONTINUED)

Internal Control Over Compliance, Continued

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses.

Also, we noted that other accountants for the Service Bureau indicated that there were no findings or questioned costs noted during the current year's attestation examination.

This report is intended solely for the information and use of the President, management, federal awarding agencies and pass-through entities, and the Legislative Auditors' office and is not intended to be and should not be used by anyone other than these specified parties.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

January 30, 2009

SCHEDULE I

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - SUMMARY OF THE INDEPENDENT AUDITORS' RESULTS

SCHEDULE I

**SOUTHERN UNIVERSITY SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF THE INDEPENDENT AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2008**

- | | | |
|----|---|---------------------------|
| 1. | Type of report issued on the Schedule of Expenditures of Federal Awards: | <u>Unqualified</u> |
| 2. | Did the audit disclose any material weaknesses in internal control over financial reporting: | <u>No</u> |
| 3. | Did the audit disclose any significant deficiencies in internal control over financial reporting that are not considered to be material weaknesses: | <u>No</u> |
| 4. | Did the audit disclose any noncompliance which is material to the financial statements of the organization: | <u>No</u> |
| 5. | Did the audit disclose any material weaknesses in internal control over major federal programs: | <u>Yes</u> |
| 6. | Did the audit disclose any significant deficiencies in internal control over major programs that are not considered to be material weaknesses: | <u>Yes</u> |
| 7. | Type of report issued on compliance for major programs: | <u>Unqualified</u> |
| 8. | Did the audit disclose any audit findings which the independent auditors are required to report under OMB Circular A-133, Section 510(a): | <u>Yes</u> |

SCHEDULE I

SOUTHERN UNIVERSITY SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF THE INDEPENDENT AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2008

9. The following is an identification of major programs:

<u>CFDA Number</u>	<u>Federal Program</u>
17.259	Work Force Investment Act - Youth Activities
84.007	Federal Supplemental Educational Opportunity Grants
84.031	Higher Education - Institutional Aid Title III
84.032	Federal Family Education Loans
84.033	Federal Work Study Program
84.063	Federal PELL Grant Program
84.375	Academic Competitiveness Grants
84.376	National Science and Mathematics Access to Retain Talent (Smart) Grants
84.367	Improving Teacher Quality State Grants
84.938	Hurricane Education Recovery
93.558	Temporary Assistance for Needy Families (TANF)
93.658	Foster Care - Title IV-E
93.925	Scholarships for Students from Disadvantage Backgrounds
Various	Research and Development Cluster

9. The dollar threshold used to distinguish between Type A and Type B Programs, as described in OMB Circular A-133, Section 520(b) is as follows:

<u>Program</u>	<u>Amount</u>
Type A	Major Program Determination Performed on a State Level.

10. Did the auditee qualify as a low-risk auditee under OMB Circular A-133, Section 530:
No.

SCHEDULE II

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - FINANCIAL STATEMENT FINDING

SCHEDULE II

**SOUTHERN UNIVERSITY SYSTEM
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FINANCIAL STATEMENT FINDING
FOR THE YEAR ENDED JUNE 30, 2008**

There was no financial statement finding noted.

SCHEDULE III

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE, CONTINUED

Audit Finding Reference Number

2008 - 01 - Federal Work-Study

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.033 Federal Work-Study Program

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

Record keeping requirements, 34 CFR 675.19(b) cite that a school must follow the record retention and examination provisions and establish and maintain program and fiscal records that are reconciled at least monthly.

Conditions and Perspectives

During our current years' audit of the Federal Work-Study program, we noted that the University's existing internal controls did not completely prevent supervisors from allowing students to work while scheduled to be in class.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE, CONTINUED

Audit Finding Reference Number

2008 - 01 - Federal Work-Study, Continued

Cause

The University did not properly adhere to established University procedures which require University personnel to ensure that students do not work while scheduled to be in class.

Questioned Costs

For purposes of this condition, we have not any questioned any costs.

Effect

The University is not in compliance with federal regulations.

Recommendation

We recommend that management of the University conduct workshops with work-study supervisors stressing the importance of ensuring that students do not work while scheduled to be in class. We also recommend that procedures be implemented which require work-study supervisors to compare student's class schedule with students sign in sheet.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND FEDERAL COMPLIANCE

Audit Finding Reference Number

Questioned Costs

2008-02 - Davis-Bacon

\$-0-

Federal Program and Specific Federal Award Identification

CFDA Title and Number

84.031 Higher Education - Institutional Aid

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

None

Criteria

OMB Circular A-133 Compliance Supplement Part 3 Section D stipulates that when required by the Davis-Bacon Act, the U.S. Department of Labor's (DOL) government-wide implementation of the Davis-Bacon Act, or by federal program legislation, all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2000 financed by federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the DOL (40 USC 3141-3144, 3146, and 3147 (formerly 40 USC 276a to 276a-7)).

Conditions and Perspectives

We noted during our audit that the University did not have procedures in place to monitor for Davis-Bacon compliance when a construction project is funded with federal dollars.

SOUTHERN UNIVERSITY SYSTEM
BATON ROUGE CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND FEDERAL COMPLIANCE,
CONTINUED

Audit Finding Reference Number, Continued

2008-02 - Davis-Bacon

Cause

The University failed to have procedures in place that required grant personnel to notify plant personnel when grant funds are to be utilized for construction or renovation purposes.

Questioned Costs

For the purpose of this finding, we have not questioned any costs.

Effect

Noncompliance with the Davis-Bacon compliance requirement.

Recommendation

We recommend that the University implement procedures to require grant personnel to notify management when construction or renovation projects are funded with federal funds.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

COMPLIANCE

Audit Finding Reference Number

Questioned Costs

2008 - 03 - Verification

\$ 11,370

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.063 Federal Pell Grant Program

84.032 Federal Family Education Loan (FFEL)

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement, Part 5, Student Financial Assistance Programs, Section III, Part N – Special Test and Provisions stipulate that **the University** is required to establish written policies and procedures that incorporate the provisions of 34 CFR sections 668.51 through 668.61 for verifying applicant information. **The University** shall require each applicant whose application is selected by the central processor, based on edits specified by the U.S. Department of Education, to verify the information specified in 34 CFR sections 668.56.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

COMPLIANCE, CONTINUED

Audit Finding Reference Number

2008 - 03 - Verification, Continued

Condition and Perspective

During our audit we noted two (2) students out of twenty-eight (28) tested whose verification information was conflicting with the verified documentation.

Cause

It appears that the University did not properly ensure that all required verifiable information was correct prior to the awarding and disbursing of financial aid.

Questioned Costs

For purposes of this condition, we have questioned costs totaling \$ 11,370 as follows:

<u>Program</u>	<u>Amount</u>
Federal PELL Grant	\$ 7,870
FFEL	<u>3,500</u>
Total	<u>\$11,370</u>

Effect

The University disbursed financial aid to students who had not completed the verification process.

Recommendation

We recommend that management of the University adhere to established procedures to ensure that all verification information is obtained and verified prior to the disbursement of financial aid.

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

COMPLIANCE, CONTINUED

Audit Finding Reference Number

2008- 04 - Entrance Counseling

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

Title IV regulations, 34 CFR 682.604 (f) stipulates that a school must ensure that initial counseling is conducted with each Stafford loan borrower either in person, by audiovisual presentation, or by interactive electronic means prior to its release of the first disbursement, unless the student borrower has received a prior Federal Stafford, Federal SLS, or Direct subsidized or unsubsidized loan.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

COMPLIANCE, CONTINUED

Audit Finding Reference Number

2008 - 04 - Entrance Counseling, Continued

Condition and Perspective

We noted during our audit two (2) students out of seven (7) students tested were first-time borrowers and received a FFEL loan without having an entrance counseling session.

Cause

It appears that the University did not ensure that all students who were first-time borrowers received entrance counseling prior to receiving the loan proceeds.

Questioned Costs

For purposes of this condition, we do not have any questioned costs.

Effect

The University has not adhered to Title IV regulations regarding ensuring that all first-time loan recipients have entrance counseling prior to their first loan disbursement.

Recommendation

We recommend that management of the University take immediate steps to ensure that entrance counseling is administered to all recipients prior to their first loan disbursement.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2008- 05 - Student Credit Balance

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.063 Federal Pell Grant Program
84.032 Federal Family Education Loans (FFEL)

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Student Financial Assistance Programs, Section III Part N – Special Tests and Provisions stipulate that disbursements to students must be made in accordance with required time frames. Title IV regulations 34 CFR 668.164 (e) specifies that whenever a school credits Student Financial Aid (SFA) program funds to a student's account, and those funds exceed the student's allowable charges, a SFA credit balance occurs. The school must pay the credit balance to the student as soon as possible, but no later than 14 days after the later of the date the balance occurred on the student's account or the first day of classes of the payment period.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2008-05 - Student Credit Balance, Continued

Condition and Perspective

We noted during our audit that thirty-two (32) out of fifty (50) students tested had student financial aid credit balances, but **the University** did not refund the credit balances to the students within the prescribed fourteen (14) day requirement.

Cause

It appears that **the University** did not ensure that the students received their refund checks within the prescribed time frame.

Questioned Costs

For purposes of this condition, we have not questioned any costs.

Effect

The University has not adhered to Title IV regulations regarding the disbursing of excess funds to students within a timely manner.

Recommendation

We recommend that management of **the University** take immediate steps to ensure that students receive their refund checks within the required time frames as required by Title IV regulations.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2008- 06 - Student Status Confirmation Report

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.268 Federal Family Education Loan (FFEL)

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

Title IV Regulations, CFR682.610 (c) (i) (ii) (iii) stipulated that if a university discovers that a Stafford, SLS, or PLUS loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis; a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended; or a full-time student who has ceased to be enrolled on a full-time basis; the university must notify the guarantee agency.

Condition and Perspective

During our audit we noted three (3) students out of ten (10) tested whose enrollment status was not properly reported on the student status confirmation reports.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2008- 06 - Student Status Confirmation Report, Continued

Cause

It appears that the University did not properly report the student's enrollment status to the guarantee agency.

Questioned Cost

For the purposes of this condition, we do not have any questioned costs.

Effect

The University did not properly report the student's status to the guarantee agency.

Recommendation

We recommend that the University determine the student's proper enrollment status and report the accurate status to the guarantee agency.

SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2008 - 07 - Federal Work-Study

Federal Program and Specific Federal Award identification

CFDA Title and Number

84.033 Federal Work-Study Program

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

Record keeping requirements, 34 CFR 675.19(b) cite that a school must follow the record retention and examination provisions and establish and maintain program and fiscal records that are reconciled at least monthly.

Conditions and Perspectives

During our audit of the Federal Work-Study Program, we noted the following conditions:

- Seven (7) students out of ten (10) students tested who worked while scheduled to be in class; and
- Seven (7) students out of ten (10) students tested whose hours reported on the timesheet did not agree to the hours paid.

**SOUTHERN UNIVERSITY SYSTEM
NEW ORLEANS CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

**INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED**

Audit Finding Reference Number

2008 - 07 - Federal Work-Study, Continued

Cause

The University did not properly adhere to established University procedures which require University personnel to reconcile fiscal records on a monthly basis and to ensure that students do work while scheduled to be in class.

Questioned Costs

For purposes of this condition, we do not have any questioned costs.

Effect

The University is not in compliance with federal regulations.

Recommendation

We recommend that management of the University adhere to established policies and procedures regarding the work-study program.

SCHEDULE III

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

<u>Audit Finding Reference Number</u>	<u>Questioned Costs</u>
2008 - 08 - Federal Work-Study	<u>\$ 2,905</u>

Federal Program and Specific Federal Award identification

CFDA Title and Number
84.033 Federal Work-Study Program

Federal Award Year
June 30, 2008

Federal Agencies
U. S. Department of Education

Pass-Through Entity
Not applicable

Criteria

Record keeping requirements, 34 CFR 675.19(b) cite that a school must follow the record retention and examination provisions and establish and maintain program and fiscal records that are reconciled at least monthly.

Conditions and Perspectives

During our audit of the Federal Work-Study Program, we noted the following conditions:

- Three (3) students out of ten (10) students tested who received college work study in excess of the amount awarded. This resulted in excess wages paid totaling \$923;
- Eight (8) students out of ten (10) students tested whose total hours per the timesheet did not agree to the total hours paid. This resulted in total underpayment to the students totaling \$198; and

**SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

**INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED**

Audit Finding Reference Number

2008 - 08 - Federal Work-Study, Continued

Conditions and Perspectives, Continued

Nine (9) students out of ten (10) students tested who worked while scheduled to be in class. This resulted in wages paid totaling \$2,180 to students working while scheduled to be in class.

Cause

The University did not properly adhere to established University procedures which require University personnel to reconcile fiscal records on a monthly basis and to ensure that students do not receive federal work-study payments in excess of amounts earned.

Questioned Costs

For purposes of this condition, we have questioned costs totaling \$2,905.

Effect

The University is not in compliance with federal regulations.

Recommendation

We recommend that management of the University adhere to established policies and procedures regarding the work-study program.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT-BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2008 - 09 - Return of Title IV Funds

Federal Program and Specific Federal Award identification`

CFDA Title and Number

84.032	Federal Pell Grant Program
84.007	Federal Supplemental Educational Opportunity Grant (FSEOG)
84.032	Federal Family Education Loans

Federal Award Year

June 30, 2008

Federal Agencies

U. S. Department of Education

Pass-Through Entity

Not applicable

Criteria

OMB Circular A-133 Compliance Supplement, Part 5 Section (N) (4) specifies that when a student receives Title IV assistance and withdraws from an institution, the institution must determine the amount of Title IV aid earned by the student as of the withdrawal date. The difference between any amounts earned that is less than the amount disbursed must be returned to the Title IV program within the prescribed time frame.

SOUTHERN UNIVERSITY SYSTEM
SHREVEPORT/BOSSIER CITY CAMPUS, CONTINUED
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008

INTERNAL CONTROL OVER COMPLIANCE AND COMPLIANCE,
CONTINUED

Audit Finding Reference Number

2008 - 09 - Return of Title IV Funds, Continued

Condition and Perspective, Continued

During our audit, we noted the following conditions during our audit:

- Twelve (12) students had a PELL grant overpayment in the prior year that was required to be returned by the student before any additional Title IV aid could be disbursed to the student in the current year. The University did not properly report the student's grant overpayment to the U.S. Department of Education, and we were unable to verify that the grant overpayment funds were returned by the student; and
- Nineteen (19) students out of twenty (20) students tested whose funds to be returned by the University were not returned within the prescribed forty-five (45) day period;

Cause

The University failed to adhere to established procedures in processing certain refunds.

Questioned Costs

For purposes of this condition, we have not questioned any costs.

Effect

The University has not complied with Title IV regulations that specify if a student withdraws from school within a certain time frame a refund must be processed, calculated properly and remitted to the Title IV program in accordance with established time frames.

Recommendation

We recommend that management immediately make the necessary to prepare the Return of Title IV Funds calculation, and return the funds to the U.S. Department of Education.

**SOUTHERN UNIVERSITY SYSTEM
AUDIT INFORMATION SCHEDULE**

Lead Auditor: Bruno & Tervalon LLP
Certified Public Accountants
Michael B. Bruno, CPA, Managing Partner
Sean M. Bruno, Manager

Telephone Number: (504) 284-8733

License Number: L1218

The audit field work was performed between September 10, 2008 and January 30, 2009 at the institutions's facilities as follows:

LOCATION DESCRIPTION OF FACILITY

Baton Rouge Main Campus
New Orleans Branch Campus
Shreveport-Bossier City Branch Campus

Institution's Accrediting Organization:

Southern Association of Colleges and Schools, and
The National Council for Accreditation of Teacher Education.

The institution utilizes a SFA Servicer:

Campus Partners Servicing Group
2400 Reynoldo Road
Winston-Salem, North Carolina

The following functions are provided by this SFA Servicer:

1. Billing Students - Perkins Loans
2. Collection of Loan principal and interest - Perkins Loans
3. Processing of cancellations and deferments - Perkins Loans

A review of the Servicer's compliance with Title IV regulations was performed by the service bureau's independent public accountant.

SOUTHERN UNIVERSITY SYSTEM
AUDIT INFORMATION SCHEDULE, CONTINUED

Records for the accounting and administration of the SFA programs are located at:

Baton Rouge Campus:	Baton Rouge, Louisiana
New Orleans Campus:	6400 Press Drive New Orleans, Louisiana
Shreveport- Bossier City Campus	3050 Martin Luther King Drive Shreveport, Louisiana



Office of the Chancellor
P. O. Box 9374
[225] 771-5020
FAX [225] 771-2018

February 11, 2009

Bruno and Tervalon, LLP
Certified Public Accountants
4298 Elysian Fields Avenue
New Orleans, LA 70122

Attention: Sean Bruno

Dear Mr. Bruno:

I am transmitting the University's response to the audit findings cited in document entitled, *"Federal Awards Financial and Compliance Audit for the year ended June 30, 2008."*

The University is deeply appreciative to you and your staff for the cooperation and professional manner in which this audit was conducted. Please contact **Mr. Flandus McClinton, Jr., Vice Chancellor for Finance and Administration**, at (225) 771-5021 if you have questions or need additional assistance regarding the University's response.

Sincerely,

Kofi Lomotey
Chancellor

Attachment

cc: Mr. Flandus McClinton, Jr.

SOUTHERN UNIVERSITY AT BATON ROUGE
RESPONSE TO FEDERAL AWARDS FINANCIAL AND COMPLIANCE AUDIT
FOR THE YEAR ENDED JUNE 30, 2008

Audit Finding Reference Number

2008-01 – Davis Bacon

RESPONSE:

The University will work closely with the System Office of Facilities Planning and the Office of Facilities Services to establish procedures for monitoring federally funded construction projects to ensure compliance with the Davis Bacon requirement.

Audit Finding Reference Number

2008-02 – Federal Work Study

RESPONSE:

The University will adhere to established procedures which require supervisors of federal work-study students to monitor all hours worked by students to ensure that students do not work while scheduled to be in class. The University will strengthen its internal controls, provide additional training, and conduct workshops with work-study supervisors to stress the importance of careful monitoring of hours worked to ensure that students do not work during scheduled class time.



SOUTHERN UNIVERSITY AT NEW ORLEANS

6801 Press Drive
New Orleans, Louisiana 70126-0002
(504) 286-5311
FAX (504) 284-5500
www.suno.edu

OFFICE OF THE CHANCELLOR

February 12, 2009

**Bruno & Tervalon
4298 Elysian Fields Ave
New Orleans, LA 70122**

**RE: Southern University at New Orleans
Responses to the Findings of the Single Audit for FYE June 30, 2008**

Dear Mr. Bruno:

Regarding the above referenced audit, my response to the finding is as follows.

Audit Finding

2008-03 Verification

Condition and Perspective

During our audit we noted two (2) students out of twenty-eight (28) tested whose verification information was conflicting with the verified documentation.

Recommendation

We recommend that management of **the University** adhere to established procedures to ensure that all verification information is obtained and verified prior to the disbursement of financial aid.

Management Response

Management will ensure that all required information is obtained and verified prior to the disbursement of financial aid and maintained in the student file.

Audit Finding

"An Equal Educational Opportunity Institution"

2008-04 Entrance Counseling

Condition and Perspective

We noted during our audit two (2) students out of seven (7) students tested were first-time borrowers and received a FFEL loan without have an entrance counseling session.

Recommendation

We recommend that management of **the University** take immediate steps to ensure that entrance counseling is administered to all recipients prior to their first loan disbursement.

Management Response

Management will ensure that effective immediately, entrance counseling is administered to all recipients prior to their first loan disbursement as required.

Audit Finding

2008-05 Student Credit Balance

Condition and Perspective

We noted during our audit that thirty-two (32) out of fifty (50) students tested had student financial aid credit balances but **the University** did not refund the credit balances to the students within the fourteen (14) day requirement.

Recommendation

We recommend that management of **the University** take immediate steps to ensure that students receive their refund checks within the required timeframes as required by Title IV regulations.

Management Response

Management will review the current processes for applying funds to a student's account, and revise as necessary to ensure that disbursements to students are made in accordance with the required time frames.

Audit Finding

2008-06 Student Status Confirmation Report

Condition and Perspective

During our audit we noted three (3) students out of ten (10) tested whose enrollment status was not properly reported on the student status confirmation reports.

Recommendation

We recommend that the University determine the student's proper enrollment status and report the accurate status to the guarantee agency.

Management Response

Management has revised its reporting procedures to ensure that the student's enrollment status is properly reported to the guarantee agency.

Audit Finding

2008-07 Federal Work-Study

Conditions and Perspectives

During our audit of the federal work-study program, we noted the following conditions:

- Seven (7) students out of ten (10) students tested who worked while scheduled to be in class; and
- Seven (7) students out of ten (10) students tested whose hours reported on the timesheet did not agree to the hours paid.

Recommendation

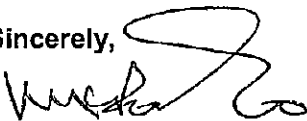
We recommend that management of the University adhere to established policies and procedures regarding the work-study program.

Management Response

Management will develop and implement incentives to ensure all participants in the federal work-study program adhere to established policies and procedures.

Any questions or concerns regarding these corrective actions can be directed to Woodie White, Interim Vice Chancellor for Administration and Finance (504 286-5117). The responsibility and implementation of these actions will be provided by him.

Sincerely,



Victor Ukpolo, Ph.D.
Chancellor



SOUTHERN UNIVERSITY
AT SHREVEPORT

OFFICE OF THE CHANCELLOR

February 12, 2009

Bruno & Tervalon, LLP
Mr. Sean Bruno, CPA
4298 Elysian Fields Avenue
New Orleans, LA 70122

Dear Mr. Bruno:

I am transmitting, per your request, responses to audit findings for Southern University-Shreveport for the fiscal year ending June 30, 2008. We are most appreciative to your staff for the cooperation and professionalism in which these audits have been conducted.

Should you have questions or require additional information, please contact Mr. Benjamin Pugh at (318) 670-6481.

Sincerely,

A handwritten signature in black ink, appearing to read "Ray L. Belton".

Ray L. Belton, Ph.D.
Chancellor

xc: Tolor White, V.P. for Finance/Business Affairs & Comptroller – SUS
Benjamin Pugh, Vice Chancellor for Finance & Administration – SUSLA

3050 MARTIN LUTHER KING, JR. DRIVE • SHREVEPORT, LOUISIANA 71107

PHONE: (318) 674-3312 • FAX: (318) 674-3374

TOLL FREE: 1-800-458-1472, EXT. 312

WWW.SUSLA.EDU

"AN EQUAL OPPORTUNITY EMPLOYER BY CHOICE, REGARDLESS OF RACE, CREED, SEX, DISABILITY OR VETERAN STATUS"

Southern University - Shreveport

Audit Finding Reference Number

2008-08 Federal Work Study

Questioned Costs

\$2,905

Conditions and Perspectives

During our audit of the Federal Work-Study Program, we noted the following conditions:

- Three (3) students out of ten (10) students tested who received college work study in excess of the amount awarded. This resulted in excess wages paid totaling \$923; and,
- Eight (8) students out of ten (10) students tested whose total hours, per the timesheet, did not agree to the total hours paid. This resulted in total underpayment to the students totaling \$198; and,
- Nine (9) students out of ten (10) students tested who worked while scheduled to be in class. This resulted in wages paid totaling \$2,180 to students while working in class.

Response

The University will review and strengthen internal control procedures relative to its Federal Work-Study program. The Office of Financial Aid has already assigned personnel to reconcile fiscal records on a monthly basis and verify the accuracy of timesheets submitted for payment. Additionally, Federal Work Study supervisors will be required to attend mandatory training sessions to ensure compliance with federal regulations.

Southern University - Shreveport

Audit Finding Reference Number

2008-09 Return of Title IV Funds

Conditions and Perspectives

During our audit of *Return to Title IV Funds*, we noted the following conditions:

- Twelve (12) students had a PELL grant overpayment in the prior year that was required to be returned by the student before any additional Title IV aid could be disbursed to the student in the current year. The University did not properly report the student's grant overpayment to the Department of Education and we were unable to verify that the grant overpayment funds were returned by the student; and,
- Nineteen (19) students out of twenty (20) students tested whose funds to be returned by the University were not returned within the prescribed forty-five (45) days.

Response

The University concurs with this finding. However, we believe it should be noted that substantial progress has been made toward resolving this finding. In FY 2007-2008, the University accurately calculated "Return of Title IV Funds" and submitted payment to the Department of Education. Funds were not returned within the prescribed 45-day timeline due to a personnel change within the Financial Aid Office.

The University has modified its procedures to ensure timely return of Title IV funds and proper notification to the Department of Education of students with grant overpayments. The University is in the process of preparing notifications at this time.